

death tax so that business enterprises and farms and ranches can continue to stay in business, continue to put people to work, continue to provide important products and services to build our exports, to build the strength of our economy.

Mr. PAPPAS. If the gentleman would yield, the death tax that he referred to is even important to agriculture in a State such as mine. It is the Garden State, and we are very fortunate in central New Jersey to have many very productive and active farms, and farms that are owned by families for generations.

But the elimination of the death tax, I believe, is an environmental issue, certainly in an area such as mine where there is such pressure for development, and that many of these family-owned farms where certainly it is the desire for these farms to be passed from one generation to the next, that the heirs sometimes are not in a position of determining whether they even want to continue to farm because they cannot pay the estate tax bill.

There was an instance in my district just last year that a longtime, very prominent farmer had passed away and his daughter wanted to keep the farm from being developed and she was not able to pay it. But we have a farm preservation program in our State where development rights are purchased by the counties and the State and paid to the landowner, so the farm has been preserved in perpetuity. But that is not always the case and those options are not always available.

I personally just want to conclude my participation here tonight by saying how privileged I am to be serving with these three gentlemen. I know the commitment that they have to fostering an economic environment that can help the little guy and the little gal, and that is what we are talking about here tonight. We are talking about fairness, we are talking about really helping those that just want the opportunity to pursue the American dream in their own way. That is all they are looking for. They are looking to be treated fairly, looking for the chance, and some of these things that we have spoken about tonight would just provide that chance to so many people in our great country.

Mr. HILL. If the gentleman would yield, I just want to compliment him for his work on the Committee on Small Business and his work with regard to the issue of capital gains tax. I do not know about him, but I think I have cosponsored several capital gains and death tax bills. I also am the original sponsor of one bill that would completely eliminate the estate tax and treat estates like a capital gain at a substantially reduced rate.

The key thing here is that we have got to reform our Tax Code so that it is not interfering with the decisions that people make to go into business or stay in business, so it does not discourage people from putting people to work.

One of the things as I travel about Montana, I hear small business people saying to me, "You know, I do not know that I want to hire any more employees." There are too many liabilities, too many obligations. That is the worst thing that we could have happen in this country because it is small businesses that are creating the jobs, and those businesses are growing into bigger businesses and growing into larger businesses, and they are putting millions of Americans to work and they are renewing our economy.

This is just one measure. But I know all four of us, and I want to compliment all of my colleagues here for their work in this area because we all understand that it is those small businesses that we need to help, the businesses that are most vulnerable that we need to work for.

So, as I conclude my remarks here tonight, I just want to thank all three of my colleagues for their work with me and with others in trying to accomplish that in this Congress.

Mr. FOX. If the gentleman would yield, I also want to conclude by saying that H.R. 1145 is key legislation in this Congress. It is bipartisan. It is pro business. It is pro jobs. It is pro family. And it is long overdue to be passed.

I have to give my proper gratitude to the gentleman from New Jersey (Mr. PAPPAS), the gentleman from Texas (Mr. SESSIONS), and the gentleman from Montana (Mr. HILL) for their leadership, not only on this kind of legislation and moving it forward, but as Members of the freshman class and showing real leadership within the whole body in a bipartisan fashion, which I think is going to be the kind of example for having legislation passed which is going to be not only helpful to their constituents but the whole country. I appreciate the work that the gentleman from Texas is doing on the Results Act. I think we need to come back here for further discussion on other changes to the IRS that are going to help businesses, help individuals, and help our families back home.

Mr. SESSIONS. I thank the gentleman from Pennsylvania (Mr. FOX) so much for being here, the people of Pennsylvania are well served, and the gentleman from New Jersey (Mr. PAPPAS) for his participation here tonight, the people of New Jersey have done very well, and also to the gentleman from Montana (Mr. HILL), those voters are well served, also.

I think that what our discussion tonight has been about is that we want to be probably just a beacon, albeit just a small beacon, that is speaking on the floor of the House of Representatives to try to be that voice, that voice to people, Americans, who are out there in the heartland, who are trying to make a go of it, people who do own their own business, who are independent contractors, those people who do have to worry about paying for their health insurance out of their own pocket, those people who are trying to

make a go of it that are not given a home business deduction that they should have.

We stand up tonight as a voice to those people and say, "We hear you in Washington, DC. We know what you are struggling with." I hear it in the fifth district of Texas. H.R. 1145 is not all-encompassing, it is not that magic bullet that will give tax relief to all Americans, but what it is is an opportunity for us to not only clarify and codify law but to give a reintention to the IRS and to these small business owners so that they recognize that someone does hear them in Washington, DC.

I would like to go through this, if I can, just to summarize once again what H.R. 1145 does. It allows for the deductibility of expenses for a home business deduction. It offers a safe harbor, an opportunity for those people who are attempting to comply with the law, that when they do come into contact with the IRS, that they can prove to the IRS that they are attempting to follow the law even if they might have not have done so exactly to the full intent, that they are attempting to do that. It gives them an opportunity to be safe without having these back penalties.

It will also allow for the expenses related to health care to be treated the same on a pretax basis as corporations have. And, lastly, it is going to codify rules that are related to the tax status of independent contractors.

I think this is important for America. I hope that tonight we have talked about things that represent the heart of problems in the heartland, that we are talking about important things, not talking about something that would be good just for a Member of Congress or a special interest but, rather, for the working middle class of America.

—

HOURLY OF MEETING ON TOMORROW

Mr. SESSIONS. Mr. Speaker, I ask unanimous consent that when the House adjourns today, that it adjourn to meet at noon tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

—

MFN FOR CHINA AND NAFTA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes as the designee of the minority leader.

Mr. BONIOR. Mr. Speaker, in the coming weeks and months we will be considering two major questions in the House that will reveal a lot about how we, as a Nation, value human rights and the well-being of our workers in America.

The first question that we will answer is whether or not to extend most-